

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3086 – HB 3591

March 2, 2010

SUMMARY OF AMENDMENT (014688): Deletes all language following the enacting clause. Effective January 1, 2011, codifies the Governor’s Office of Diversity Business Enterprise (GoDBE) as established by Executive Order 14. Establishes the “Tennessee Small Business and Diversity Business Enterprise Procurement and Contracting Opportunity Act” which requires the Commissioner of the Department of General Services (DGS) to develop a plan to maximize participation by Tennessee small businesses in state agency contracting and procurement. Establishes a minimum goal for each department of 20 percent of all contracts awarded for goods and services to be awarded to Tennessee small businesses. Requires that each department report the number of purchase orders or contracts awarded to Tennessee small businesses to GoDBE on a monthly basis. Requires the Commissioner to report purchases made from Tennessee small, minority, or woman owned business during the preceding fiscal year to the Governor and the General Assembly by December 31 of each year. Requires the Commissioner to promulgate regulations authorizing a preference to be given to Tennessee small businesses during the evaluation of proposals or bids for state contracts. Requires DGS to provide training programs and educational activities which assist Tennessee small businesses in competing for contracts with the state.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$3,200,000/GY10-11
Exceeds \$6,400,000/FY11-12 and Subsequent Years

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Assumptions applied to amendment:

- According to DGS, any costs associated with the promulgation or rules, and establishing and providing education and training programs for small businesses can be accommodated within existing resources without an increased appropriation or reduced reversion.

- Any cost for the provision of reports by each department to DGS, or by DGS to the Governor and General Assembly is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a more compact, stylized script, followed by "W." and "White" in a more legible but still cursive style.

James W. White, Executive Director

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